GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:289
ANSWERED ON:03.07.2009
GAS FROM PRIVATE COMPANIES FOR POWER SECTOR
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Will the Minister of POWER be pleased to state:

(a) whether the Government is aware of slow progress in expanding electricity generation capacity in the country;

(b) if so, the details thereof and the reasons therefor;

(c) whether the Union Government has recently instructed the National Thermal Power Corporation Ltd. (NTPC) to purchase gas from the private companies including Reliance Industries Limited (RIL);

(d) if so, the details thereof; and

(e) the steps taken by the Government to step up the electricity generation capacity?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI BHARATSINH SOLANKI)

(a & (b) : The Government is aware that there has been slow progress in the expansion of the electricity generation capacity in the country during 11th Plan so far. In the first year of the 11th Plan, a capacity of 9263 MW was commissioned. In the 2nd year i.e. in 2008-09 only 3454 MW was commissioned. This was mainly due to change in definition of commissioning (earlier unit synchronized was considered as commissioned which was changed to full load operation) in 2008-09. However, there are also other reasons such as delay in placement of orders, delay in supply of equipments, shortage of skilled manpower, shortage of fuel etc. However, adequate measures have been taken to avoid recurrence of these problems during remaining period of the 11th Plan. Projects aggregating to over 15000 MW (19% of the target) have already been commissioned during the 11th Plan so far and projects aggregating to about 65,000 MW are under construction.

(c) & (d) : Empowered Group of Ministers (EGOM) has allocated 18 Million Metric Standard Cubic Metre Per Day (MMSCMD) gas to the power sector. Out of this, 2.67 MMSCMD of gas was allocated to NTPC for its six gas based power plants.

Further, the Ministry of Petroleum & Natural Gas indicated to the Ministry of Power that additional Re-gasified Liquefied Natural Gas (RLNG) is available because of expansion of Petronet LNG Limited (PLL`s) Dahej Liquefied Natural Gas (LNG) terminal and relatively low international prices of LNG. In view of this, a meeting was held in the Ministry of Power on 27.05.2009 in which it was decided that with immediate effect, all gas-based power plants in the country, except in South and North-East of the country which are yet to be connected through pipeline network, should operate at 90% Plant Load Factor (PLF) as far as possible. It was further decided that this should be ensured by utilizing KG D6 gas earmarked for them by the EGOM / Government and subsequently the additional availability of RLNG

(e) : The following steps have been taken to improve power generation capacity in the country in the 11th Five Year Plan:

Rigorous monitoring of capacity addition of on-going generation projects.

Sensitizing the industry to the needs of increasing manufacturing capacity and widening the vendor base for Main Plant equipment and Balance of Plants like Coal Handling Plant, Ash Handling Plants, Water treatment plant etc. by organizing international conclave & regional workshops etc. Other issues like advance procurement of critical materials and tie up of necessary funds before construction are also being addressed.

Development of Ultra Mega Power Projects of 4,000 MW each under competitive bidding.

Harnessing surplus captive power into grid.

Renovation, modernization and life extension of old and inefficient generation units.